

Senate File 2417 - Enrolled

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SENATE FILE 2417

AN ACT

RELATING TO AND MAKING APPROPRIATIONS FROM THE HEALTHY IOWANS TOBACCO TRUST AND THE TOBACCO SETTLEMENT TRUST FUND, AND PROVIDING FOR THE REPEAL OF THE HEALTHY IOWANS TOBACCO TRUST, AND PROVIDING EFFECTIVE DATES.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

DIVISION I

HEALTHY IOWANS TOBACCO TRUST == APPROPRIATIONS

Section 1. HEALTHY IOWANS TOBACCO TRUST == APPROPRIATIONS TO DEPARTMENTS. There is appropriated from the healthy Iowans tobacco trust created in section 12.65 to the following departments for the fiscal year beginning July 1, 2008, and ending June 30, 2009, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. To the department of human services:

a. For child and family services including for reimbursement of adoption, independent living, shelter care, and home studies services providers, and other service providers under the purview of the department of human services:

..... \$ 3,786,677

Of the funds appropriated in this paragraph "a", \$25,000 is allocated for a grant to a child welfare services provider headquartered in a county with a population between 189,000 and 196,000 in the latest preceding certified federal census that provides multiple services including but not limited to a psychiatric medical institution for children, shelter, residential treatment, after school programs, school-based programming, and an Asperger's syndrome program, to be used for support services for children with autism spectrum disorder and their families.

b. To continue supplementation of the state supplementary assistance program including reimbursements for residential care facilities and in-home health services:

..... \$ 182,381

c. For general administration of health-related programs:

..... \$ 274,000

2. To the Iowa department of public health:

a. For the tobacco use prevention and control initiative, including efforts at the state and local levels, as provided in chapter 142A and for not more than the following full-time equivalent positions:

..... \$ 5,928,265

..... FTEs 7.00

(1) The director of public health shall dedicate sufficient resources to promote and ensure retailer compliance with tobacco laws and ordinances relating to persons under 18 years of age, and shall prioritize the state's compliance in the allocation of available funds to comply with 42 U.S.C. } 300x=26 and section 453A.2.

(2) Of the full-time equivalent positions funded in this paragraph "a", 2.00 full-time equivalent positions shall be utilized to provide for enforcement of tobacco laws, regulations, and ordinances under a chapter 28D agreement entered into between the Iowa department of public health and the alcoholic beverages division of the department of commerce.

(3) Of the funds appropriated in this paragraph "a", not more than \$525,759 shall be expended on administration and management of the program.

(4) Of the funds appropriated in this paragraph "a", not less than 80 percent of the amount expended in the fiscal year beginning July 1, 2001, for community partnerships shall be expended in the fiscal year beginning July 1, 2008, for that purpose.

b. For additional substance abuse treatment under the substance abuse treatment program:

..... \$ 13,800,000

3 4 (1) The department shall use funds appropriated in this
3 5 paragraph "b" to enhance the quality of and to expand the
3 6 capacity to provide 24-hour substance abuse treatment
3 7 programs.

3 8 (2) The department shall use funds appropriated in this
3 9 paragraph "b" to expand the length of individual client
3 10 substance abuse treatment plans, as necessary to reduce
3 11 program recidivism.

3 12 (3) The department shall use funds appropriated in this
3 13 paragraph "b" to share research-based best practices for
3 14 treatment with substance abuse treatment facilities.

3 15 (4) The department shall use funds appropriated in this
3 16 paragraph "b" to develop a results-based funding approach for
3 17 substance abuse treatment services.

3 18 (5) The department shall use funds appropriated in this
3 19 paragraph "b" to develop a program to encourage individuals
3 20 who are successfully managing their substance abuse problems
3 21 to serve as role models.

3 22 (6) The department shall submit a report annually by March
3 23 1, to the governor and the general assembly delineating the
3 24 success rates of the substance abuse treatment programs that
3 25 receive funding under this paragraph "b".

3 26 c. For the healthy Iowans 2010 plan within the Iowa
3 27 department of public health and for not more than the
3 28 following full-time equivalent positions:

3 29 \$ 2,509,960
3 30 FTEs 4.00

3 31 (1) Of the funds appropriated in this paragraph "c", not
3 32 more than \$1,157,482 shall be used for essential public health
3 33 services that promote healthy aging throughout the lifespan,
3 34 contracted through a formula for local boards of health, to
3 35 enhance health promotion and disease prevention services.

4 1 (2) Of the funds appropriated in this paragraph "c", not
4 2 more than \$387,320 shall be used for the continuation and
4 3 support of a coordinated system of delivery of trauma and
4 4 emergency medical services.

4 5 (3) Of the funds appropriated in this paragraph "c", not
4 6 more than \$600,000 shall be used for the state poison control
4 7 center.

4 8 (4) Of the funds appropriated in this paragraph "c", not
4 9 more than \$288,770 shall be used for the development of
4 10 scientific and medical expertise in environmental
4 11 epidemiology.

4 12 (5) Of the funds appropriated in this paragraph "c", not
4 13 more than \$76,388 shall be used for the childhood lead
4 14 poisoning prevention program.

4 15 d. For the center for congenital and inherited disorders
4 16 established pursuant to section 136A.3:

4 17 \$ 26,000

4 18 e. For a grant program to provide substance abuse
4 19 prevention programming for children:

4 20 \$ 1,050,000

4 21 (1) Of the funds appropriated in this paragraph "e",
4 22 \$500,000 shall be utilized to provide funding for
4 23 organizations that provide programming for children by
4 24 utilizing mentors. Programs approved for grants under this
4 25 subparagraph (1) shall be certified or will be certified
4 26 within six months of receiving the grant award by the Iowa
4 27 commission on volunteer services as utilizing the standards
4 28 for effective practice for mentoring programs.

4 29 (2) Of the funds appropriated in this paragraph "e",
4 30 \$500,000 shall be utilized to provide funding for
4 31 organizations that provide programming that includes youth
4 32 development and leadership. The programs shall also be
4 33 recognized as being programs that are scientifically based
4 34 with evidence of their effectiveness in reducing substance
4 35 abuse in children.

5 1 (3) The Iowa department of public health shall utilize a
5 2 request for proposals process to implement the program under
5 3 this paragraph "e".

5 4 (4) All grant recipients under this paragraph "e" shall
5 5 participate in a program evaluation as a requirement for
5 6 receiving grant funds.

5 7 (5) Of the funds appropriated in this paragraph "e",
5 8 \$50,000 shall be used to administer substance abuse prevention
5 9 grants and for program evaluations.

5 10 f. For providing grants to individual patients who have
5 11 phenylketonuria (PKU) to assist with the costs of necessary
5 12 special foods:

5 13 \$ 100,000

5 14 g. For additional funding to leverage federal funding

5 15 through the federal Ryan White Care Act, Title II, AIDS drug
5 16 assistance program supplemental drug treatment grants:
5 17 \$ 275,000
5 18 h. For a grant to an existing national=affiliated
5 19 organization to provide education, client=centered programs,
5 20 and client and family support for people living with epilepsy
5 21 and their families:
5 22 \$ 100,000
5 23 3. To the department of corrections:
5 24 \$ 4,477,474
5 25 It is the intent of the general assembly that each judicial
5 26 district department of correctional services shall cooperate
5 27 with and utilize local community=based treatment providers
5 28 licensed under chapter 125. Each judicial district department
5 29 of correctional services shall submit a report to the general
5 30 assembly and to the co-chairpersons and ranking members of the
5 31 joint appropriations subcommittee on the justice system and
5 32 the legislative services agency by December 15, 2008,
5 33 detailing the utilization of drug court funds allocated in
5 34 this subsection.
5 35 a. Of the funds appropriated in this subsection, \$410,332
6 1 is allocated to the first judicial district department of
6 2 correctional services. Of the funds allocated, \$100,000 shall
6 3 be used for community=based corrections, \$182,116 shall be
6 4 used to expand the drug court in Black Hawk county to Dubuque
6 5 and Delaware counties, and \$128,216 shall be used to replace
6 6 expired federal funding for dual diagnosis offenders.
6 7 b. Of the funds appropriated in this subsection, \$441,215
6 8 is allocated to the second judicial district department of
6 9 correctional services. Of the funds allocated, \$100,000 shall
6 10 be used for community=based corrections, and \$341,215 shall be
6 11 used to replace expired federal funding for day programming
6 12 and to replace expired federal funding for the drug court
6 13 program.
6 14 c. Of the funds appropriated in this subsection, \$220,856
6 15 is allocated to the third judicial district department of
6 16 correctional services. Of the funds allocated, \$100,000 shall
6 17 be used for community=based corrections, and \$120,856 shall be
6 18 used to replace expired federal funding for the drug court
6 19 program.
6 20 d. Of the funds appropriated in this subsection, \$310,547
6 21 is allocated to the fourth judicial district department of
6 22 correctional services. Of the funds allocated, \$100,000 shall
6 23 be used for community=based corrections, and \$210,547 shall be
6 24 used for the drug court program.
6 25 e. Of the funds appropriated in this subsection, \$419,582
6 26 is allocated to the fifth judicial district department of
6 27 correctional services. Of the funds allocated, \$100,000 shall
6 28 be used for community=based corrections, and \$319,582 shall be
6 29 used to replace expired federal funding for the drug court
6 30 program.
6 31 f. Of the funds appropriated in this subsection, \$566,750
6 32 is allocated to the sixth judicial district department of
6 33 correctional services. Of the funds allocated, \$100,000 shall
6 34 be used for community=based corrections, \$64,741 shall be used
6 35 to replace expired federal funding for dual diagnosis
7 1 offenders, and \$402,009 shall be used to establish drug court
7 2 programs in Johnson and Linn counties.
7 3 g. Of the funds appropriated in this subsection, \$256,608
7 4 is allocated to the seventh judicial district department of
7 5 correctional services. Of the funds allocated, \$100,000 shall
7 6 be used for community=based corrections, and \$156,608 shall be
7 7 used to replace expired federal funding for the drug court
7 8 program.
7 9 h. Of the funds appropriated in this subsection, \$324,299
7 10 is allocated to the eighth judicial district department of
7 11 correctional services. Of the funds allocated, \$100,000 shall
7 12 be used for community=based corrections, and \$224,299 shall be
7 13 used to implement an adult drug court program.
7 14 i. Of the funds appropriated in this subsection,
7 15 \$1,497,285 is allocated to the Fort Madison correctional
7 16 facility for the clinical care unit.
7 17 j. Of the funds appropriated in this subsection, \$30,000
7 18 is allocated for a transitional housing pilot project for
7 19 offenders on parole who are in the early stages of recovery
7 20 from substance abuse. The department of corrections shall
7 21 contract with a private nonprofit substance abuse treatment
7 22 provider in a city with a population exceeding 65,000 but not
7 23 exceeding 75,000 to implement the pilot project. The
7 24 department shall file a report with the co-chairpersons and
7 25 ranking members of the joint appropriations subcommittee on

7 26 the justice system and the legislative services agency by
7 27 February 1, 2009, detailing the number of offenders served by
7 28 the pilot project, the recidivism rate, a description of the
7 29 types of services received by the offenders, and the number of
7 30 prison bed days saved by the pilot project.

7 31 Sec. 2. PURCHASE OF SERVICE CONTRACT PROVIDERS ==
7 32 REIMBURSEMENT INCREASE. There is appropriated from the
7 33 healthy Iowans tobacco trust created in section 12.65 to the
7 34 property tax relief fund created in section 426B.1 for the
7 35 fiscal year beginning July 1, 2008, and ending June 30, 2009,
8 1 the following amount, or so much thereof as is necessary, to
8 2 be used for the purposes designated:

8 3 For assistance to the counties with limited county mental
8 4 health, mental retardation, and developmental disabilities
8 5 services fund balances which were selected in accordance with
8 6 2000 Iowa Acts, chapter 1221, section 3, to receive such
8 7 assistance in the same amount provided during the fiscal year
8 8 beginning July 1, 2000, and ending June 30, 2001, to pay
8 9 reimbursement increases in accordance with 2000 Iowa Acts,
8 10 chapter 1221, section 3:

8 11 \$ 146,750

8 12 Sec. 3. IOWA EMPOWERMENT FUND. There is appropriated from
8 13 the healthy Iowans tobacco trust created in section 12.65 to
8 14 the Iowa empowerment fund created in section 28.9 for the
8 15 fiscal year beginning July 1, 2008, and ending June 30, 2009,
8 16 for deposit in the school ready children grants account:

8 17 \$ 2,153,250

8 18 Sec. 4. IOWA COMMISSION ON VOLUNTEER SERVICES. There is
8 19 appropriated from the healthy Iowans tobacco trust created in
8 20 section 12.65 to the department of economic development for
8 21 the fiscal year beginning July 1, 2008, and ending June 30,
8 22 2009, the following amount, or so much thereof as is
8 23 necessary, to be used for the purpose designated:

8 24 For allocation to the Iowa commission on volunteer services
8 25 for the Iowa's promise and mentoring partnership program and
8 26 for not more than the following full-time equivalent
8 27 positions:

8 28 \$ 125,000

8 29 FTEs 1.00

8 30 Sec. 5. DEPARTMENT OF EDUCATION. There is appropriated
8 31 from the healthy Iowans tobacco trust created in section 12.65
8 32 to the department of education for the fiscal year beginning
8 33 July 1, 2008, and ending June 30, 2009, the following amount,
8 34 or so much thereof as is necessary, to be used for the purpose
8 35 designated:

9 1 To continue the competitive grants program to expand the
9 2 availability of the before and after school grant program as
9 3 provided in section 256.26:

9 4 \$ 505,000

9 5 Of the amount appropriated for purposes of the competitive
9 6 grants program, not more than \$100,000 may be used to retain a
9 7 contractor to work with the department on long-term planning
9 8 and development of a statewide infrastructure to provide
9 9 coordination, support, and technical assistance to before and
9 10 after school programs. The contractor shall be qualified to
9 11 provide services in policy development, before and after
9 12 school funding mechanisms, public and private partnerships,
9 13 data collection, the promotion of quality, and working with
9 14 various state and local interests.

9 15 Sec. 6. 2007 Iowa Acts, chapter 208, section 1, subsection
9 16 2, paragraph e, is amended to read as follows:

9 17 e. For the center for congenital and inherited disorders
9 18 established pursuant to section 136A.3:

9 19 \$ ~~26,000~~ 0

9 21 Sec. 7. ENDOWMENT FOR IOWA'S HEALTH ACCOUNT == TRANSFER.
9 22 Notwithstanding any provision of law to the contrary, the
9 23 unencumbered or unobligated balance of the endowment for
9 24 Iowa's health account created in section 12E.12 at the close
9 25 of the fiscal year beginning July 1, 2007, shall be
9 26 transferred to the healthy Iowans tobacco trust created in
9 27 section 12.65.

9 28 Sec. 8. EFFECTIVE DATES.

9 29 1. The section of this division of this Act transferring
9 30 the balance at the end of the fiscal year beginning July 1,
9 31 2007, in the endowment for Iowa's health account to the
9 32 healthy Iowans tobacco trust, being deemed of immediate
9 33 importance, takes effect upon enactment.

9 34 2. The section of this division of this Act amending the
9 35 appropriation for the center for congenital and inherited
10 1 disorders in 2007 Iowa Acts, chapter 208, being deemed of

10 2 immediate importance, takes effect upon enactment.

10 3 DIVISION II

10 4 HEALTHY IOWANS TOBACCO TRUST == REPEAL

10 5 Sec. 9. Section 12E.2, subsection 5, Code 2007, is amended
10 6 by striking the subsection.

10 7 Sec. 10. Section 12E.2, subsection 10, Code 2007, is
10 8 amended to read as follows:

10 9 10. "Program plan" means the tobacco settlement program
10 10 plan dated February 14, 2001, including exhibits to the
10 11 program plan, submitted by the authority to the legislative
10 12 council and the executive council, to provide the state with a
10 13 secure and stable source of funding for the purposes
10 14 designated by section 12E.3A and other provisions of this
10 15 ~~chapter and section 12.65.~~

10 16 Sec. 11. Section 12E.3, subsection 2, paragraph a, Code
10 17 2007, is amended to read as follows:

10 18 a. To implement and administer the program plan and to
10 19 establish a stable source of revenue to be used for the
10 20 purposes designated in section 12E.3A and other provisions of
10 21 ~~this chapter and section 12.65.~~

10 22 Sec. 12. NEW SECTION. 12E.3A ENDOWMENT FOR IOWA'S HEALTH
10 23 ACCOUNT == PURPOSES.

10 24 1. The general assembly reaffirms and reenacts the
10 25 purposes stated for the use of moneys deposited in the healthy
10 26 Iowans tobacco trust, as the purposes were enacted in 2000
10 27 Iowa Acts, chapter 1232, section 12, and codified in section
10 28 12.65, Code 2007, as the purposes for the endowment for Iowa's
10 29 health account. The purposes include those purposes related
10 30 to health care, substance abuse treatment and enforcement,
10 31 tobacco use prevention and control, and other purposes related
10 32 to the needs of children, adults, and families in the state.

10 33 2. Any net proceeds from the sale of taxable bonds or
10 34 tax-exempt bonds issued to provide funds for the purposes
10 35 stated in section 12.65, Code 2007, and as reaffirmed and
11 1 reenacted in subsection 1 shall continue to be used for such
11 2 purposes, including but not limited to any such proceeds
11 3 deposited in the endowment for Iowa's health account or
11 4 transferred or otherwise credited to the general fund of the
11 5 state.

11 6 Sec. 13. Section 12E.9, subsection 1, paragraph b,
11 7 subparagraphs (3) and (6), Code 2007, are amended to read as
11 8 follows:

11 9 (3) An agreement that the anticipated use by the state of
11 10 bond proceeds received pursuant to the sales agreement shall
11 11 be for capital projects, certain debt service on outstanding
11 12 obligations that funded capital projects, payment of attorney
11 13 fees related to the master settlement agreement, and to
11 14 provide a secure and stable source of funding to the state for
11 15 purposes designated by section 12E.3A and other provisions of
11 16 ~~this chapter and section 12.65.~~

11 17 (6) A requirement that the net proceeds received by the
11 18 authority from the sale of taxable bonds or tax-exempt bonds
11 19 issued to provide funds for the purposes specified in section
11 20 ~~12.65~~ 12E.3A be deposited in the endowment for Iowa's health
11 21 account of the tobacco settlement trust fund as moneys of the
11 22 authority until transferred to the state pursuant to section
11 23 12E.12, subsection 1, paragraph "b", subparagraph (2). Each
11 24 amount transferred shall be the consideration received by the
11 25 state for that portion of the state's share.

11 26 Sec. 14. Section 12E.10, subsection 1, paragraph a,
11 27 subparagraph (3), Code 2007, is amended to read as follows:

11 28 (3) The authority may also issue taxable bonds or
11 29 tax-exempt bonds to provide additional amounts to be used for
11 30 the purposes specified in section ~~12.65~~ 12E.3A.

11 31 Sec. 15. Section 12E.11, subsection 1, Code 2007, is
11 32 amended to read as follows:

11 33 1. The authority may issue bonds and, if bonds are issued,
11 34 shall make the proceeds from the bonds available to the state
11 35 pursuant to the sales agreement to fund capital projects,
12 1 certain debt service on outstanding obligations that funded
12 2 capital projects, and attorney fees related to the master
12 3 settlement agreement, and to provide a secure and stable
12 4 source of funding to the state, consistent with the purposes
12 5 of section 12E.3A and other provisions of this chapter and
~~12 6 section 12.65.~~ In connection with the issuance of bonds and
12 7 subject to the terms of the sales agreement, the authority
12 8 shall determine the terms and other details of the financing
12 9 and the method of implementation of the program plan. Bonds
12 10 issued pursuant to this section may be secured by a pledge of
12 11 all or a portion of the state's share and any moneys derived
12 12 from the state's share, and any other sources available to the

12 13 authority with the exception of moneys in the tobacco
12 14 settlement trust fund. The authority may also issue refunding
12 15 bonds, including advance refunding bonds, for the purpose of
12 16 refunding previously issued bonds, and may issue other types
12 17 of bonds, debt obligations, and financing arrangements
12 18 necessary to fulfill its purposes or the purposes of this
12 19 chapter.

12 20 Sec. 16. Section 12E.12, subsection 1, paragraph b,
12 21 subparagraph (2), Code 2007, is amended to read as follows:

12 22 (2) The endowment for Iowa's health account.

12 23 (a) The net proceeds of any taxable bonds or tax-exempt
12 24 bonds issued to provide funds for the purposes specified in
12 25 section ~~12.65~~ 12E.3A, which the authority is directed to
12 26 deposit in the account, any portion of the state's share which
12 27 is not sold to the authority, and any other moneys
12 28 appropriated by the state for deposit in the account shall be
12 29 deposited in the account and shall be used for the purposes
12 30 specified in section ~~12.65~~ 12E.3A.

~~12 31 (a) There is transferred from the endowment for Iowa's
12 32 health account of the tobacco settlement trust fund to the
12 33 healthy Iowans tobacco trust for the fiscal year beginning
12 34 July 1, 2001, and ending June 30, 2002, the amount of
12 35 fifty-five million dollars, to be used for the purposes
13 1 specified in section 12.65.~~

13 2 (b) For each fiscal year beginning July 1, ~~2002~~ 2009, and
13 3 annually thereafter, there is transferred from the moneys
13 4 deposited in the endowment for Iowa's health account of the
13 5 tobacco settlement trust fund are transferred to the healthy
13 6 Iowans tobacco trust fifty-five million dollars plus an
13 7 inflationary factor of one and one-half percent of the amount
13 8 transferred in the previous fiscal year. Any transfer in an
13 9 amount not in accordance with this subparagraph shall not be
13 10 made unless authorized by a three-fifths majority of each
13 11 house and approved by the governor general fund of the state.
13 12 The moneys transferred shall be used for the purposes
13 13 specified in section 12E.3A.

13 14 Sec. 17. Section 12E.17, Code 2007, is amended to read as
13 15 follows:

13 16 12E.17 DISSOLUTION OF THE AUTHORITY.

13 17 The authority shall dissolve no later than two years from
13 18 the date of final payment of all outstanding bonds and the
13 19 satisfaction of all outstanding obligations of the authority,
13 20 except to the extent necessary to remain in existence to
13 21 fulfill any outstanding covenants or provisions with
13 22 bondholders or third parties made in accordance with this
13 23 chapter. Upon dissolution of the authority, all assets of the
13 24 authority shall be returned to the state and shall be
13 25 deposited in the ~~healthy Iowans tobacco trust~~ general fund of
13 26 the state, unless otherwise directed by the general assembly,
13 27 and the authority shall execute any necessary assignments or
13 28 instruments, including any assignment of any right, title, or
13 29 ownership to the state for receipt of payments under the
13 30 master settlement agreement.

13 31 Sec. 18. Section 12.65, Code 2007, is repealed.

13 32 Sec. 19. EFFECTIVE DATE. This division of this Act takes
13 33 effect June 30, 2009.

13 34 DIVISION III

13 35 APPROPRIATIONS AND BALANCES == REVERSIONS

14 1 Sec. 20. HEALTHY IOWANS TOBACCO TRUST AND ENDOWMENT FOR

14 2 IOWA'S HEALTH ACCOUNT == REVERSION.

14 3 1. Notwithstanding any provision of law to the contrary,
14 4 moneys from appropriations that remain unencumbered or
14 5 unobligated at the close of the fiscal year beginning July 1,
14 6 2008, or the close of any succeeding fiscal year that would
14 7 otherwise be required by law to revert to, be deposited in, or
14 8 to be credited to the healthy Iowans tobacco trust or the
14 9 endowment for Iowa's health account shall instead be credited
14 10 to the general fund of the state.

14 11 2. Notwithstanding any provision of law to the contrary,
14 12 the unencumbered or unobligated balances of the healthy Iowans
14 13 tobacco trust at the close of the fiscal year beginning July
14 14 1, 2008, or the endowment for Iowa's health account at the
14 15 close of the fiscal year beginning July 1, 2008, or the close
14 16 of any succeeding fiscal year shall be transferred to the
14 17 general fund of the state.

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JOHN P. KIBBIE
President of the Senate

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PATRICK J. MURPHY
Speaker of the House

I hereby certify that this bill originated in the Senate and
is known as Senate File 2417, Eighty-second General Assembly.

MICHAEL E. MARSHALL
Secretary of the Senate

Approved _____, 2008

CHESTER J. CULVER
Governor